Select Committee on Quality Improvements in State Hospitals

October 18, 2018

Mission: Transform lives by supporting sustainable recovery, independence and wellness
Budget Updates
ALTSA’s Response to Mental Health Transformation

State Hospital Transitions

322 individuals transitioned from state hospitals into LTSS

4 additional ESFs by Fall/Winter 2019

Avg. Daily Rate Across Settings
Increase from FY18 to FY19
• 1st quarter FY18: $171.62
• 1st quarter FY19: $217.15

*Transitions as of 9/30/2018
ALTSA’s Response to Mental Health Transformation

Quarterly Transitions by State Hospital

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY18 Qtr 1</th>
<th>FY18 Qtr 2</th>
<th>FY18 Qtr 3</th>
<th>FY18 Qtr 4</th>
<th>FY19 Qtr 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>ESH</td>
<td>22</td>
<td>26</td>
<td>19</td>
<td>37</td>
<td>29</td>
</tr>
<tr>
<td>WSH</td>
<td>31</td>
<td>25</td>
<td>48</td>
<td>39</td>
<td>46</td>
</tr>
</tbody>
</table>

State Hospital Transitions by Setting

- **AFH**: 59
- **AL**: 52
- **ESF**: 19
- **SH**: 27
- **In-home**: 9
- **SNF**: 156

*Transitions as of 9/30/2018*
### ALTSA - Building Community Investments

<table>
<thead>
<tr>
<th>CY 2017</th>
<th>CY 2018</th>
<th>CY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Enhanced Services Facilities</strong></td>
<td><strong>Cyberlo 12 beds</strong></td>
<td><strong>Cyberlo 16 beds</strong></td>
</tr>
<tr>
<td>• Vancouver 12 beds</td>
<td>• Cyberlo 16 beds</td>
<td>• Cyberlo 16 beds</td>
</tr>
<tr>
<td>• Spokane 24 beds</td>
<td>• Cyberlo 16 beds</td>
<td>• Spokane 16 beds</td>
</tr>
<tr>
<td>• Everett 16 beds (November)</td>
<td>• Cyberlo 16 beds</td>
<td>• Everett 16 beds (November)</td>
</tr>
<tr>
<td><strong>Conversions/ALF Specialized Services</strong></td>
<td><strong>Conversions/ALF Specialized Services</strong></td>
<td><strong>Conversions/ALF Specialized Services</strong></td>
</tr>
<tr>
<td>• Tekoa 17 beds</td>
<td>• Seattle 16 beds</td>
<td>• Tacoma 65 beds</td>
</tr>
<tr>
<td>• Tacoma 65 beds</td>
<td>• Auburn 32 beds</td>
<td>• Spokane 16 beds</td>
</tr>
<tr>
<td>• Auburn 32 beds</td>
<td>• Spokane 16 beds</td>
<td>• Auburn 32 beds</td>
</tr>
<tr>
<td><strong>Expanded Community Services Plus (NF)</strong></td>
<td><strong>Expanded Community Services Plus (NF)</strong></td>
<td><strong>Expanded Community Services Plus (NF)</strong></td>
</tr>
<tr>
<td>• Tacoma 15-25 beds</td>
<td>• Tacoma 65 beds</td>
<td>• Tacoma 65 beds</td>
</tr>
<tr>
<td><strong>Increase ECS/SBS Contracts AFH/ALF</strong></td>
<td><strong>Increase ECS/SBS Contracts AFH/ALF</strong></td>
<td><strong>ECS/SBS Contracts AFH/ALF</strong></td>
</tr>
<tr>
<td><strong>Supportive Housing</strong></td>
<td><strong>Supportive Housing</strong></td>
<td><strong>Supportive Housing</strong></td>
</tr>
<tr>
<td>• 7 Supportive Housing providers</td>
<td>• 7 additional Supportive Housing providers</td>
<td>• 4 additional providers projected</td>
</tr>
<tr>
<td>• Training development and provider support</td>
<td>• Training development and provider support</td>
<td>• Training development and provider support</td>
</tr>
<tr>
<td>• AFHC MOU 7/19/2018</td>
<td>• AFHC MOU 7/19/2018</td>
<td>• AFHC MOU 7/19/2018</td>
</tr>
</tbody>
</table>
DDA Funded Mental Health Transformation

*Who we will serve in this FY17-19 funded transition*

13 clients who are ready or will be ready for discharge from ESH and WSH into SOLAs*. As of today, we have transitioned eight individuals into SOLA.

*How DDA will phase in clients*

*State Operated Living Alternatives are community residential programs operated by state employees.*
Behavioral Health Housing

Cary Retlin
Behavioral Health Housing Administrator

October 2018
The Department of Commerce touches many aspects of community and economic development. We work with local governments, businesses, and civic leaders to strengthen communities so all Washington residents may thrive and prosper.
2018 Provisos for Behavioral Health Housing and Commerce activities to support those efforts

- Create administrator at Commerce
- Develop BH housing options that aid discharge
  - Contract with HCA to fund long-term rent through HARPS (Housing and Recovery through Peer Services)
    - Funded housing for 376 individuals in SFY 2018 (ongoing)
    - Contracting to fund housing for those qualified for Medicaid Supportive Housing services who have BH housing needs in SFY 2019
    - Ongoing coordination with Housing Trust Fund, Capital Facilities, Consolidated Homeless Grants, federal awards
Facilitate links and capacity building

- Ongoing program and contract collaboration with HCA, DSHS, Commerce, local behavioral health and housing providers
- Represent Commerce on HCA Behavioral Health Advisory, A Way Home Washington Behavioral Health Youth Advisory
- Attend and report to Commerce-staffed state councils and boards (like State Advisory on Homelessness, Affordable Housing Advisory)
- Frequently attend and present to statewide behavioral health administrator meetings
- Ongoing discharge-related meetings and visits with programs and staff at ESH, WSH, etc.*
- Ongoing efforts to improve and link BH housing to existing Commerce programs and services
Fund beds for individuals with history of mental illness

HARPS Supportive Housing Subsidies ($900k SFY 2018)

- Contracted with HCA to provide ‘deep’ housing subsidy
- Housed 376 people receiving HARPS in SFY 2018
- Prioritized populations discharging from institutions
- Services and housing is coordinated by local behavioral health organization
Community Behavioral Health Rent Assistance Pilot:

Four grants to link services with housing ($900k in FY 2019)

- Fund beds for individuals with history of mental illness
  - Links those qualified to Medicaid
  - Foundational Community Supports to rent subsidy
  - Prioritizes people discharging from institutions
  - Requires coordination and engagement to support people with long-term needs
  - Can pay rent, arrears, deposits and other housing costs
  - Can pay for administrative services not payable elsewhere
Research related to Behavioral Health Housing

- Develop and maintain inventory of community beds by bed type
  - Support PCG research related to statewide bed study
  - Funded “Homelessness among Clients”... through DSHS RDA
  - Future research may focus on discharging youth and young adults
Other activities to support behavioral health housing

- Facilitate links and capacity building
  - Oversee HUD 811 Rental Assistance
  - Oversaw startup of Landlord Mitigation Program
    - Any subsidized tenant in public or private unit (PHAs are excluded)
    - Pays up to $1,000 to the landlord for some move-in upgrades, up to 14 days’ rent loss
    - Up to $5,000 in qualifying damages
    - Collaborate with HCA on multiple technical assistance projects, including some that support Commerce directly.
Next steps for behavioral health housing administrator at Commerce

- **Link more housing and services for those discharging**
  - Grow capacity to fund more housing (currently $1.9 million for rent assistance)
  - Incent master leases for supportive housing
- **Incent new behavioral health supportive housing units**
  - Grow capacity and applications to Housing Trust Fund
  - Support conversion of transitional housing into supportive housing
- **Support development of new facilities that serve high-need individuals discharging**
- **Collaborate among agencies and providers**
  - Quantify future permanent housing needs
  - Support conversion of transitional housing into supportive housing
(25) $140,000 of the general fund—state appropriation for fiscal year 2018 and $140,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to create a behavioral health supportive housing administrator within the department to coordinate development of effective behavioral health housing options and services statewide to aide in the discharge of individuals from the state psychiatric hospitals. This position must work closely with the health care authority, department of social and health services, and other entities to facilitate linkages among disparate behavioral health community bed capacity-building efforts. This position must work to integrate building infrastructure capacity with ongoing supportive housing benefits, and must also develop and maintain a statewide inventory of mental health community beds by bed type.
(27) $990,000 of the general fund—state appropriation for fiscal year 2018 and $1,980,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for 150 community beds for individuals with a history of mental illness. Currently, there is little to no housing specific to populations with these co-occurring disorders; therefore, the department must consider how best to develop new bed capacity in combination with individualized support services, such as intensive case management and care coordination, clinical supervision, mental health, substance abuse treatment, and vocational and employment services. Case-management and care coordination services must be provided. Increased case-managed housing will help to reduce the use of jails and emergency services and will help to reduce admissions to the state psychiatric hospitals. The department must coordinate with the health care authority and the department of social and health services in establishing conditions for the awarding of these funds. The department must contract with local entities to provide a mix of (a) shared permanent supportive housing; (b) independent permanent supportive housing; and (c) low and no-barrier housing beds for people with a criminal history, substance abuse disorder, and/or mental illness.

Priority for permanent supportive housing must be given to individuals on the discharge list at the state psychiatric hospitals or in community psychiatric inpatient beds whose conditions present significant barriers to timely discharge.
ESSB 6032/Enhanced Funding

• **FY 2018 supplemental operating budget:** Community behavioral health programs funding enhancement

• **ESSB 6032, Section 213(5)(pp):** opportunity for additional funding for Behavioral Health Organizations – solely for enhancement of community-based behavioral health services

• Fiscal assumptions also included funding opportunity for fully integrated managed care regions
FY 2018 Supplemental Operating Budget

• Additional funding to community mental health programs:
  – $23.09 million general fund (state FY 2019 appropriation)
  – $46.222 million general fund (federal appropriation)
Region Plans

• Regions asked to submit plans by June 2018 on:
  – Reducing use of long-term commitment beds through community alternatives
  – Complying with RCW 71.05.365: state hospital patient transition to community setting within 14 days
  – Improving staff recruitment/retention
  – Diverting individuals with behavioral health issues from criminal justice system
  – Improving recovery-oriented services
Funds Awarded – June 2018

• Based on submitted plans, regions awarded community behavioral health program enhanced funding starting July 2018:
  – Greater Columbia, Great Rivers, King, North Central, North Sound, Optum-Pierce, Salish, SouthWest, Spokane, Thurston-Mason

• Medicaid funding – along with general state funding – included in contracted monthly prepaid health plan payments
## Examples: Regional Enhancement Plans

<table>
<thead>
<tr>
<th>Area of Focus</th>
<th>Region</th>
<th>Enhancement Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Reduction in use of long-term commitment beds</td>
<td>King</td>
<td>Working with local behavioral health and primary care providers, with service costs supported by enhancement funds</td>
</tr>
<tr>
<td>2. Transition of state hospital patients into community settings (within 14 days of determination patient no longer requires active psychiatric treatment)</td>
<td>Pierce</td>
<td>Transitional Community Support Services offered to individuals on state hospital discharge list who may benefit from additional outreach and engagement</td>
</tr>
<tr>
<td>3. Improvement of staff recruitment and retention</td>
<td>Spokane</td>
<td>Implementing performance incentive for providers</td>
</tr>
<tr>
<td>4. Diversion of individuals with behavioral health issues from criminal justice system</td>
<td>Salish</td>
<td>New data system capabilities and a new triage center that will accept direct police officer drop-offs</td>
</tr>
<tr>
<td>5. Efforts to improve recovery-oriented services</td>
<td>North Central</td>
<td>Several agencies taking steps to increase peer capacity</td>
</tr>
</tbody>
</table>
Hospital Staffing Spending

Western State Hospital

- FY18 Actual Spending: $277.8 million, 2,577.7 FTEs
- FY19 Appropriation: $247.5 million, 2,236.0 FTEs
- FY19 Projected Spending: $283.3 million, 2,594.5 FTEs

Eastern State Hospital

- FY18 Actual Spending: $92.4 million, 835.2 FTEs
- FY19 Appropriation: $88.2 million, 808.5 FTEs
- FY19 Projected Spending: $95.5 million, 842.0 FTEs

*Staffing model recommends 2,627.0 FTEs

*Staffing model recommends 1,025.0 FTEs
Capital Investments in State Hospitals
FY2015 through FY2018

- Forensic Bed Capacity: WSH $2.3M, ESH $6.5M
- Hospital Compliance: WSH $6.5M, ESH $2.4M
- Facilities & Infrastructure: WSH $46.5M, ESH $11.0M
- Program Enhancements: WSH $6.5M, ESH $2.3M

Department of Social and Health Services Presentation April 25, 2018
14-day Ready for Discharge Compliance

- 2018 Budget Proviso – RCW 71.05.365
- Multi-agency workgroup approved operational definition of “no longer requires active treatment at an inpatient level” – based on CMS definition
- Automation of data collection across hospitals is complicated and will take time; data collection will be manual until automated solution can be implemented.
- Regular reports expected by end of 2018
Hospital Certification

Plan is a work in progress:

- CSM contractor is working with CMS for clarification
- Old buildings, Forensic wards unlikely to be certified again
- New buildings = best route for CMS certification
Hospital Oversight Update

Dana Phelps, Assistant Secretary  
DSHS Services & Enterprise Support Administration

Lori Melchiori, Deputy Assistant Secretary  
DSHS Services & Enterprise Support Administration
Review Western State Hospital regulatory oversight program and ensure there is a comprehensive program absent CMS certification and oversight.

- This resulted in the addition of a “DOH Plus” contract
Hospital Oversight

Multi-pronged approach including:

• Labor and Industries - Staff safety
• CSM – contracted to monitor adherence to CMS 26 Conditions of Participation
• West Pierce Fire – Safety of fire alarms, sprinklers, etc.
• DOH Routine Oversight
  o Board of Pharmacy
  o Uniform Disciplinary Act
  o Food Service
Hospital Oversight (continued)

• DOH Plus (through contract) – DOH will treat DSHS like any other community hospital not certified by CMS, which means:
  o DOH will receive and investigate complaints
  o DSHS will report Adverse Health Events (per WAC 246-302-030)
  o DSHS will report Operational or Maintenance Events (per WAC 246-320-151)

• Additionally, WSH will continue to be reviewed by DSHS internal audit team and subject to external audits of its practices
Trueblood Settlement Agreement Update

Amber Leaders, Assistant Attorney General
Office of the Attorney General
**Trueblood Agreement & Negotiations**

### February 2018
- Parties’ stipulated negotiation agreement accepted by federal court

### February – April 2018
- Gather stakeholder input
- Multiple negotiation sessions between Parties

### April – August 2018
- Draft plan (general principles / initial plans) complete by **May 4**
- Seek stakeholder input on plan through **June 8**
- **June 8 - Aug. 1**: Revisions based on feedback; final agreement drafted
- Signed agreement **Aug. 16**

### August – November 1, 2018
- Seek Court approval **Aug. 30**
- If Court preliminarily approves, agreement goes to Class members for 60-day comment period **Sept. 1 – Oct. 30**
- Submit for inclusion in Governor’s 2019-2021 Biennial Budget

Dates to be adjusted pending Court decision
**Trueblood Settlement Agreement**

- Multi-year, multi-phase plan
- Expands residential mental health with crisis services
- Provides training for jail staff and law enforcement
- Establishes court navigators
- Adds more mental health professionals to educate about supports available to individuals waiting in jail for evaluation and restoration services

**Goals**

- Reduce number of people who become or remain class members
- Provide timely services for those who cannot be diverted from becoming or remaining class members
- Focus on effective outcomes and build upon successes of existing programs in Washington
"This Agreement is a product of extensive work with stakeholders and input from experts in their fields. It is an informed and thoughtful estimation of the best plan to resolve the ongoing constitutional crisis before the Court. However, the Parties recognize and acknowledge the need for flexibility in developing the comprehensive changes proposed, and that the purpose and intent of each element could be achieved by alternative methods. The Parties further agree to give due consideration to the totality of any decisions or actions taken by the Legislature in implementing this Agreement to determine if the spirit of the Agreement, if not the letter, has been upheld before pursuing an allegation of material breach for any element that does not specifically identify what constitutes material breach.” Trueblood Agreement V.A.3, pg. 46-47.
**Trueblood Contempt Fines**
July 8, 2016 – September 30, 2018

Inpatient: $77,010,500

Jail-based: $1,206,492

**TOTAL (Inpatient + Jail-based):**
$78,216,992

*Note:*
*Due to issues associated with the implementation of the new forensic data system in August 2018, monthly total fines for August and September 2018 are estimates.

Data Sources:
WSH: FES in Cache provided by Al Bouvier; ESH: MILO provided by Yaroslav Trusevich
Compiled by DSHS RDA, As of October 15, 2018